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Proposed Attorneys for Chapter 11 Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SAN FERNANDO VALLEY DIVISION**

In re:

IRONCLAD PERFORMANCE WEAR
CORPORATION, a California corporation,

Debtor and Debtor in Possession.

In re:

IRONCLAD PERFORMANCE WEAR
CORPORATION, a Nevada corporation,

Debtor and Debtor in Possession.

☒ Affects both Debtors

☐ Affects Ironclad Performance Wear
Corporation, a California corporation only

☐ Affects Ironclad Performance Wear
Corporation, a Nevada corporation only

Lead Case No.: 1:17-bk-12408-MB
Jointly administered with:
1:17-bk-12409-MB
Chapter 11 Cases

**SUPPLEMENT TO DEBTORS' MOTION
FOR AN ORDER: (1) APPROVING SALE
OF SUBSTANTIALLY ALL OF THE
DEBTORS' ASSETS FREE AND CLEAR
OF ALL ENCUMBRANCES; (2)
APPROVING OF DEBTORS'
ASSUMPTION AND ASSIGNMENT OF
CERTAIN UNEXPIRED LEASES AND
EXECUTORY CONTRACTS AND
DETERMINING CURE AMOUNTS AND
APPROVING OF DEBTORS' REJECTION
OF THOSE UNEXPIRED LEASES AND
EXECUTORY CONTRACTS WHICH ARE
NOT ASSUMED AND ASSIGNED; (3)
WAIVING THE 14-DAY STAY PERIODS
SET FORTH IN BANKRUPTCY RULES
6004(h) AND 6006(d); AND (4) GRANTING
RELATED RELIEF; DECLARATION OF L.
GEOFF GREULICH IN SUPPORT
THEREOF**

DATE: October 30, 2017
TIME: 10:00 a.m.
PLACE: Courtroom "303"
21041 Burbank Blvd.
Woodland Hills, CA

1 On October 9, 2017, Ironclad Performance Wear Corporation, a California corporation,
2 and Ironclad Performance Wear Corporation, a Nevada corporation (collectively, the “Debtors”),
3 the debtors and debtors-in-possession in the above-captioned Chapter 11 bankruptcy cases, filed
4 their motion (“Motion”) [Docket Number 96] seeking an order of the Court approving the
5 Debtors’ sale of substantially all of their assets to Radians Wareham Holding, Inc. (“Purchaser”)
6 in accordance with the terms of the Asset Purchase Agreement (“APA”) attached as Exhibit “A”
7 to the Declaration of Geoffrey Greulich filed with the Court on September 11, 2017 as Docket
8 Number 6 or to the highest or otherwise best overbidder selected at an auction to be held on
9 October 30, 2017 before the hearing on the Motion (the “Auction”). The Motion is also
10 supported by, among other things, the Declaration of L. Geoff Greulich filed in support of the
11 Motion, as Docket Number 94 (the “Greulich Motion Declaration”). All capitalized terms used
12 herein shall have the meanings given in the Motion unless otherwise stated.

13 In both the Motion and in the Greulich Motion Declaration, the Debtors noted the
14 Debtors’ belief that the total debt in these cases (both secured and unsecured combined along
15 with post-petition administrative claims) is or will be in the range of approximately \$8-\$10
16 million, which means that subject to the closing of the asset sale to Purchaser or a successful
17 overbidder, all creditors are expected to be paid in full, with there being a substantial distribution
18 to the shareholders of the parent company, which is a publicly traded company. However, these
19 were the figures from the Debtors’ first-day pleadings and were inadvertently not updated to take
20 into account the post-petition events of these cases.

21 By this Supplement, the Debtors revise and update the references in the Motion.

22 The Court has set October 20, 2017 as the bar date for creditors to file proofs of claim in
23 this case. Therefore, as of the date of this Supplement, the universe of filed proofs of claim is
24 not yet fully known. The Schedules of Assets and Liabilities (“Schedules”) filed by the Debtors
25 in these cases show Radians having a pre-petition secured claim of \$3,397,406.95. However,
26 Radians has not yet filed its proof of claim; thus, this claim estimated by the Debtors may need
27 to be adjusted. In addition, during these cases, the Debtors have obtained Court approval to
28 obtain post-petition financing from Radians up to \$2 Million. The Debtors have thus far

1 borrowed a total of \$1.1 million post-petition from Radians. While the Debtors have the
2 authority from the Court to borrow up to an additional \$900,000, the Debtors currently anticipate
3 borrowing not more than an additional \$400,000 from Radians through the expected closing of
4 the Debtors' asset sale.

5 The Debtors' Schedules also show total general unsecured claims of approximately
6 \$4,383,129. This estimated total does not include any general unsecured claims which will arise
7 from rejection of contracts or leases. Any such rejected claims are currently being analyzed by
8 the Debtors.

9 Based on the foregoing, the Debtors currently estimate that the total pre-petition and post-
10 petition debt in these cases, inclusive of estimated post-petition administrative claims, will be
11 approximately \$10.5-\$12.0 Million.

12 Dated: October 16, 2017

IRONCLAD PERFORMANCE WEAR CORPORATION

13 By: /s/ Ron Bender

14 RON BENDER

15 MONICA Y. KIM

KRIKOR J. MESHEFEJIAN

16 LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.

17 Proposed Attorneys for Debtors and Debtors in
Possession

DECLARATION OF L. GEOFF GREULICH

I, L. Geoff Greulich, hereby declare as follows:

1. I am the Chief Executive Officer of Ironclad Performance Wear Corporation, a California corporation, and Ironclad Performance Wear Corporation, a Nevada corporation (collectively, “Debtors”), who each filed a Voluntary Petition for relief under Chapter 11 of the Bankruptcy Code on September 8, 2017 (“Petition Date”). I became the Debtors’ Chief Executive Officer effective July 6, 2017.

2. In that capacity, I have personal knowledge of the facts set forth herein, and, if called as a witness, could and would testify competently with respect thereto.

3. I am submitting this Declaration in support of the Supplement to the Debtors’ motion (“Motion”) [Docket Number 96] seeking an order of the Court approving the Debtors’ sale of substantially all of their assets to Radians Wareham Holding, Inc. (“Radians” or “Purchaser”) in accordance with the terms of the Asset Purchase Agreement (“APA”) attached as Exhibit “A” to my prior Declaration filed with the Court on September 11, 2017 as Docket Number 6 or to the highest or otherwise best overbidder selected at the Auction. The Motion is also supported by, among other things, the Declaration of L. Geoff Greulich filed in support of the Motion, as Docket Number 94 (the “Greulich Motion Declaration”).

4. In both the Motion and in the Greulich Motion Declaration, the Debtors noted the Debtors’ belief that the total debt in these cases (both secured and unsecured combined along with post-petition administrative claims) is or will be in the range of approximately \$8-\$10 million, which means that subject to the closing of the asset sale to Purchaser or a successful overbidder, all creditors are expected to be paid in full, with there being a substantial distribution to the shareholders of the parent company, which is a publicly traded company. However, these were the figures from the Debtors’ first-day pleadings and were inadvertently not updated to take into account the post-petition events of these cases.

5. By the attached Supplement and this Declaration, the Debtors revise and update the references in the Motion.


6. I understand that the Court has set October 20, 2017 as the bar date for creditors to file proofs of claim in this case. Therefore, as of the date of the attached Supplement and this Declaration, the universe of filed proofs of claim is not yet fully known. The Schedules of Assets and Liabilities ("Schedules") filed by the Debtors in these cases show Radians having a pre-petition secured claim of \$3,397,406.95. However, Radians has not yet filed its proof of claim; thus, this claim estimated by the Debtors may need to be adjusted. In addition, during these cases, the Debtors have obtained Court approval to obtain post-petition financing from Radians up to \$2 Million. The Debtors have thus far borrowed a total of \$1.1 million post-petition from Radians. While the Debtors have the authority from the Court to borrow up to an additional \$900,000, the Debtors currently anticipate borrowing not more than an additional \$400,000 from Radians through the expected closing of the Debtors' asset sale.

7. The Debtors' Schedules also show total general unsecured claims of approximately \$4,383,129. This estimated total does not include any general unsecured claims which will arise from rejection of contracts or leases. Any such rejected claims are currently being analyzed by the Debtors.

8. Based on the foregoing, the Debtors currently estimate that the total pre-petition and post-petition debt in these cases, inclusive of estimated post-petition administrative claims, will be approximately \$10.5-\$12.0 Million.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 16th day of October 2017 at Los Angeles, California.


L. Geoffrey Greulich

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled **SUPPLEMENT TO DEBTORS' MOTION FOR AN ORDER: (1) APPROVING SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL ENCUMBRANCES; (2) APPROVING OF DEBTORS' ASSUMPTION AND ASSIGNMENT OF CERTAIN UNEXPIRED LEASES AND EXECUTORY CONTRACTS AND DETERMINING CURE AMOUNTS AND APPROVING OF DEBTORS' REJECTION OF THOSE UNEXPIRED LEASES AND EXECUTORY CONTRACTS WHICH ARE NOT ASSUMED AND ASSIGNED; (3) WAIVING THE 14-DAY STAY PERIODS SET FORTH IN BANKRUPTCY RULES 6004(h) AND 6006(d); AND (4) GRANTING RELATED RELIEF; DECLARATION OF L. GEOFF GREULICH IN SUPPORT THEREOF** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **October 16, 2017**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Ron Bender rb@lnbyb.com
- Cathrine M Castaldi ccastaldi@brownrudnick.com
- Russell Clementson russell.clementson@usdoj.gov
- Aaron S Craig acraig@kslaw.com, lpermy@kslaw.com
- Monica Y Kim myk@lnbrb.com, myk@ecf.inforuptcy.com
- Krikor J Meshefejian kjm@lnbrb.com
- Tania M Moyron tania.moyron@dentons.com, chris.omeara@dentons.com
- S Margaux Ross margaux.ross@usdoj.gov
- United States Trustee (SV) ustpregion16.wh.ecf@usdoj.gov
- Sharon Z. Weiss sharon.weiss@bryancave.com, raul.morales@bryancave.com

2. SERVED BY UNITED STATES MAIL: On **October 16, 2017**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **October 16, 2017**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

SERVED BY OVERNIGHT MAIL

Hon. Martin R. Barash
United States Bankruptcy Court
21041 Burbank Boulevard, Suite 342
Woodland Hills, CA 91367

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

October 16, 2017	Lourdes Cruz	/s/ Lourdes Cruz
Date	Type Name	Signature